

HEALTH PROGRAM HANDBOOK



CalPERS Health Program
Rules and Regulations



PATIENT BILL OF RIGHTS

Why Patient Rights?

As a member of the CalPERS health program, you have important rights. Rights protect your privacy, your access to quality health care, and your right to participate fully in medical decisions affecting you and your family.

How and Where to Get Help

If you have a concern about your rights and health care services, we urge you to first discuss it with your physician, hospital, or other provider, as appropriate. If you still have concerns, you have the right to appeal the health plan's decision directly to CalPERS or, in many health plans, through the grievance procedure. Consult your *Evidence of Coverage* booklet for information on the benefits covered or your appeal rights. You can call CalPERS at (888) CalPERS (225-7377)—*not 800* for further information.

As a patient and a CalPERS member, you have the right to:

- Be treated with courtesy and respect;
- Receive health care without discrimination;
- Have confidential communication about your health;
- Have your medical record or information about your health disclosed only with your written permission;
- Access and copy your medical record;
- Have no restrictions placed on your doctor's ability to inform you about your health status and all treatment options;
- Be given sufficient information to make an informed decision about any medical treatment or procedure, including its risks and benefits;
- Refuse any treatment;
- Designate a surrogate to make your health care decisions if you are incapacitated;
- Access quality medical care, including specialist and urgent care services, when medically necessary and covered by your health plan;

- Access emergency services when you, as a "prudent layperson," could expect the absence of immediate medical attention would result in serious jeopardy to you;
- Participate in an independent, external medical review when covered health care services are denied, delayed, or limited on the basis that the service was not medically necessary or appropriate, after the health plan's internal grievance process has been exhausted;
- Discuss the costs of your care in advance with your provider;
- Get a detailed, written explanation if payment or services are denied or reduced; and
- Have your complaints resolved in a fair and timely manner and have them expedited when a medical condition requires treatment.

You can help protect your rights by doing the following:

- Express your health care needs clearly;
- Build mutual trust and cooperation with your providers;
- Give relevant information to your health care provider about your health history, condition and all medications you use;
- Contact your providers promptly when health problems occur;
- Ask questions if you don't understand a medical condition or treatment;
- Be on time for appointments;
- Notify providers in advance if you can't keep your health care appointment;
- Adopt a healthy lifestyle and use preventive medicine, including appropriate screenings and immunizations;
- Familiarize yourself with your health benefits and any exclusions, deductibles, copayments, and treatment costs; and
- Understand that cost controls, when reasonable, help keep good health care affordable;

This booklet is intended only as a summary of the CalPERS health enrollment and eligibility information. The Table of Contents will guide you through important topics regarding eligibility and enrollment, so be sure to read all the information in this booklet.

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WHO DO I CONTACT FOR ASSISTANCE?

If you require assistance or need to make changes to your enrollment, follow the instructions below for Active Employees and Retired Members, as appropriate.

Active Employees

Your employer's Health Benefits Officer or Personnel Office must complete a *Health Benefit Enrollment* form through the CalPERS ACES system or file a form (HBD-12) when you enroll or make any changes to your enrollment. If your employer uses the ACES system, your enrollment will be received by your health plan the next day.

Retired Members

Once you become a retiree, CalPERS functions as your Health Benefits Officer or Personnel Office. Therefore, most changes to your health enrollment can be done by calling CalPERS at (888) CalPERS (225-7377).

If you prefer to write to CalPERS, include your (member's) Social Security number, name and daytime phone number with area code. Be sure to include the following information when requesting changes:

- Changing your address requires your former address and new address.
- Adding or deleting any dependent requires the dependent's name, Social Security number, birth date, relationship to member, and the reason for adding or deleting the dependent.
- Adding a spouse due to marriage requires a copy of the *Marriage Certificate*.
- Deleting a spouse due to divorce requires a copy of the *Divorce Decree*.

- Adding a domestic partner requires an approved copy of the *Declaration of Domestic Partnership* form from the Office of the Secretary of State.
- Deleting a domestic partner requires a copy of the *Termination of Domestic Partnership* form from the Office of the Secretary of State.
- Adding an economically dependent child requires a completed *Affidavit of Eligibility* form, available from CalPERS.
- Medicare eligible members must certify their Medicare status by submitting a *Certification of Medicare Status* form, available from CalPERS, to validate satisfactory evidence of Medicare eligibility, ineligibility or deferral. To find out more information about Medicare and your CalPERS coverage, you may call CalPERS and request publication (HBD-100) *Understanding Medicare & Your CalPERS Health Benefits*.

Mail your request for changes to:

CalPERS Office of Employer & Member Health Services
P.O. Box 942714
Sacramento, Ca 94229-2714

You may obtain all CalPERS forms by visiting our Web site at www.calpers.ca.gov or by calling CalPERS at (888) CalPERS (225-7377).

WHO IS ELIGIBLE FOR THE CALPERS HEALTH BENEFITS PROGRAM?

Employees of the State of California and contracting public agencies may sign up for the CalPERS Health Benefits Program. The employee's appointment must be at least six months and one day (tenure) and at least half-time (time base) in order to be eligible.

New employees have 60 days from the date of their initial appointment to enroll themselves and all eligible dependents in a health plan. Your coverage becomes effective the first day of the month following the date your Personnel Office or Health Benefits Officer receives your completed *Health Benefit Enrollment* form (HBD-12).

State Permanent-Intermittent (PI) employees must wait until after they have received 480 paid hours credit at the end of a "control period." A control period means the six-month period from January 1 through June 30, or July 1 through December 31. If you qualify in the first half of the year, the earliest date coverage may begin is August 1; during the second half, the earliest date coverage may begin is February 1. PI employees have 60 days from the date they qualify for health coverage to request enrollment into a health plan.

In order to remain qualified, PI employees must be credited with at least 480 paid hours at the end of each control period or have at least 960 hours in two consecutive control periods (current and prior). Checkpoints to determine whether the hours have been met are June 30 and December 31.

Retiring employees who retire within 120 days of separation from employment may continue their enrollment, enroll within 60 days of retirement, or enroll during any Open Enrollment period.

No action is required for retirees who are currently enrolled in a CalPERS health plan and want to continue their health enrollment into retirement. Eligible retirees who want to enroll for the first time can submit a written request to CalPERS Office of Employer and Member Health Services (See page 2 of this booklet for the mailing address.) or call CalPERS at (888) CalPERS (225-7377) during any future Open Enrollment period.

If you were covered as a dependent through another member's CalPERS health plan when you retired or you canceled coverage to participate in the State's FlexElect Program, you may be eligible to enroll in a CalPERS health plan. Contact CalPERS for information.

Survivors of an annuitant who satisfied the requirement to retire within 120 days of separation may be eligible to enroll within 60 days of the annuitant's death or during any future Open Enrollment period.

Surviving domestic partners who are receiving a monthly annuity as a surviving beneficiary of a deceased employee or annuitant on or after January 1, 2002, are eligible to continue coverage if currently enrolled, enroll within 60 days of the domestic partner's death, or enroll during any future Open Enrollment period.

Important Note

Public Agency employees should check with their agency's Health Benefits Officer for any exceptions to eligibility for enrollment in a health plan.

WHICH FAMILY MEMBERS CAN BE COVERED BY MY HEALTH PLAN?

“Family member” is a term used interchangeably with the term “dependent.” It means your spouse, domestic partner and eligible children under the age of 23.

Your **spouse** can be added to your health plan within 60 days after your date of marriage or during any Open Enrollment period. A copy of your marriage certificate and your spouse’s Social Security number are required. Your coverage will become effective the first of the month following the date your Personnel Office or Health Benefits Officer receives your completed *Health Benefit Enrollment* form (HBD-12).

Domestic partners may be added to your health plan within 60 days of the registration of domestic partnership or during any Open Enrollment period. Your coverage will become effective the first of the month following the date your Personnel Office or Health Benefits Officer receives your completed *Health Benefit Enrollment* form (HBD-12).

1. The Secretary of State must register the domestic partnership and provide a *Declaration of Domestic Partnership*. Same sex domestic partnerships between persons who are both at least 18 years of age and certain opposite sex domestic partnerships (one partner must be 62 years of age or older and the other partner at least 18 years of age) are eligible to register with the Secretary of State.
2. Visit the Secretary of State’s Web site at www.ss.ca.gov for additional information on Domestic Partner registration.
3. The enrollee must provide a copy of the approved *Declaration of Domestic Partnership*, available at the Secretary of State’s Web site.

Children. Your natural-born children, adopted children, or stepchildren who are under age 23 and have never been married can be added as follows:

- Your newborn children can be added within 60 days of the date of birth and are covered from the date of birth.
- Newly-adopted children can be added within 60 days of physical custody and are covered from the date of the formal adoption or placement for adoption.
- Stepchildren under age 23 who have never been married can be added to your health plan within 60 days after the date of your marriage. The coverage will become effective the first day of the month following submittal of your signed *Health Benefit Enrollment* form (HBD-12).

Disabled Children Over Age 23. A child over age 23 who has never married and is incapable of self support because of a mental or physical condition that existed prior to age 23 and continuously since age 23 may be included when you first enroll, subject to approval by CalPERS. The *Member Questionnaire for the CalPERS Disabled Dependent Benefit* form (HBD-98) and a *Medical Report for the CalPERS Disabled Dependent Benefit* form (HBD-34) must be approved by CalPERS prior to enrollment and updated upon request. Contact your employer or CalPERS for assistance.

Another person’s child under the age of 23, who has never married, may be eligible for coverage if:

- You have been granted legal custody or joint legal custody of the child; or
- The child resides with the employee or retiree (generally in the absence of the natural or adoptive parent) and is economically dependent upon the employee or retiree; or
- The child is the natural, adopted, step, or economically dependent child of the employee’s or retiree’s domestic partner.

Prior to the enrollment of another person's child, an *Affidavit of Eligibility* form (HBD-35) or a copy of the court-ordered custody document must be on file and updated upon request. Coverage begins the first of the month following the date the *Health Benefit Enrollment* form (HBD-12) is received by your employer or the CalPERS Office of Employer and Member Health Services.

When you enroll, you must enroll all eligible family members. However, you have the choice of enrolling the following family members either at that time or at a later date:

- A spouse not living in your home;
- Children age 18 or older;
- Eligible children who are not in your custody; or
- Dependents in the military, when they return to civilian life.

Children of Domestic Partners may have continued eligibility if they were enrolled as family members at the time of the employee's or annuitant's death. Contact CalPERS for additional information.

Important Notes

- It is against the law to enroll ineligible family members. If you do, you may have to pay for all costs incurred by the ineligible dependent from the date the coverage began.
- If you do not add newly eligible family members to your health plan within the 60-day period of eligibility, you may enroll them during any future Open Enrollment period.

Who's Not Eligible?

Here's a quick list of those not eligible to enroll in a CalPERS-sponsored health plan.

Employees of the State or contracting public agencies:

- Who work less than half-time;
- Who are appointed to a position lasting less than six months and one day;
- Whose job classification is "Limited-Term Intermittent" (seasonal or temporary); or
- Who are "Permanent-Intermittent" and who do not meet credit requirements within the control period.

Retirees:

- Whose retirement date is more than 120 days from their separation date; or
- Whose employer does not have a contract or terminated its contract with CalPERS.

Family members who are:

- Children age 23 or over;
- Children who have been married;
- Children's spouses;
- Disabled children over age 23 who were never enrolled or who were deleted from coverage;
- Former spouses;
- Grandparents;
- Parents;
- Children of former spouses; or
- Other relatives.

WHEN MAY I ENROLL MY FAMILY AND MYSELF?

New employees have 60 days from the date of their initial eligible appointment to enroll in a health plan. Your coverage becomes effective the first day of the month following the day your Personnel Office or Health Benefits Officer receives your *Health Benefit Enrollment* form (HBD-12).

Open Enrollment is held each fall. This is the time you may enroll, change health plans, or add eligible family members. Open Enrollment changes take effect the following January 1. When you change health plans, you may want to consult the CalPERS *Health Plan Decision Guide* in selecting a health plan.

State Permanent–Intermittent (PI) employees have 60 days from the date of qualifying to request enrollment. Upon qualifying, the earliest effective date is August 1 or February 1.

Health Insurance Portability and Accountability Act (HIPAA)

The Health Insurance Portability and Accountability Act (HIPAA) was enacted in 1996. HIPAA provisions improve portability and continuity of health insurance coverage in the group insurance markets. HIPAA requirements for CalPERS took effect in January 1998. HIPAA changed enrollment policies and offers two provisions outside of the annual Open Enrollment period and the initial enrollment period for employees and family members to enroll in CalPERS health plans.

Special Enrollment

Special Enrollment refers to enrolling after your initial enrollment, but outside of the annual Open Enrollment period.

You may need Special Enrollment if:

- You have changes in your marital status or responsibilities. If you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may enroll yourself and all eligible dependents within 60 days after that event. You may also be eligible to use this Special Enrollment period under certain other limited circumstances (such as when a court has ordered you to provide coverage for a minor child); or
- You decided not to enroll with CalPERS when you were first eligible. If you declined or canceled enrollment for yourself or your dependents (including your spouse) because of other private or CalPERS health coverage, you may be able to enroll. To qualify, you will need proof the other coverage is ending, and you must request enrollment within 60 days after the other coverage ends.

Late Enrollment

Late Enrollment is permitted with certain restrictions. If you decline or cancel enrollment for yourself or your dependents and do not fit within Special Enrollment exceptions noted above, your rights (or your dependents' rights) to enroll in the future will be limited. You will be subject to a 90-day waiting period or will have to wait until the next Open Enrollment period. The earliest effective date of enrollment will be January 1 of the following year or the first of the month following the 90-day waiting period.

Split Enrollments

Married employees or retirees can enroll separately. However, when married employees are enrolled in a CalPERS health plan in their own right, one parent must carry all children on one plan. Children and dependents cannot be split between parents. When split enrollments are discovered, they will be retroactively canceled. You may be responsible for all costs incurred from the date the split enrollment began.

Dual CalPERS Coverage

Dual CalPERS coverage occurs when you are enrolled in a CalPERS health plan as both a member and a dependent or as a dependent on two enrollments. This duplication of coverage is against the law. When dual CalPERS coverage is discovered, the enrollment that caused the dual coverage will be retroactively canceled. You may be responsible for all costs incurred from the date the dual coverage began.

However, members can be enrolled in both a CalPERS health plan and a health plan provided through another employer. For example, a spouse who is enrolled in a state or public agency employee's CalPERS plan may also be enrolled in the plan provided by his or her private employer. In this case, the benefits provided by each plan will be coordinated between the two plans.

IS THERE A COST?

Your cost will depend on where you work (or worked), for how long, and which health plan you choose. Whether you are working or have retired, your employer or former employer will make monthly contributions toward your health premium, but how much they contribute varies.

State Vesting Requirements

If you are a State employee, "vesting" is the amount of time in State employment needed for an employee to be eligible to receive employer contributions toward the cost of the monthly premium during retirement. The longer you have worked in "covered" service, the more your employer contributes. The amount the State contributes toward your health coverage depends on whether you are vested. The contribution amount is determined by a formula set by law and the date you were first employed by the State.

If you were first hired by the State prior to January 1, 1985, you are eligible to receive 100 percent of the State's contribution upon your retirement.

If you were first hired by the State between January 1, 1985, and January 1, 1989, you are subject to vesting requirements. You must have 10 years of service credit to be fully vested and qualify for 100 percent of the State's contribution. If you have less than 10 years of service credit, you are still eligible for health coverage; however, there will be an additional cost to you since the State's contribution is reduced by 10 percent for each year of service under 10 years.

If you were first hired by the State after January 1, 1989, the percentage of the State's contribution is based on your completed years of State credited service. The following table shows the percentage of the State contribution you will receive.

Years of Credited Service	State Contribution
Less than 10 years	0%
10 years	50%
10 to 19 years	50%, plus 5% added for each year after the 10th year
20 years or more	100%

Important Note

Bargaining unit negotiations may affect the State's vesting requirements. State vesting requirements do not apply to California State University retirees, the employees of the Legislature, public agency retirees, or those on disability retirement.

WHEN MAY I CHANGE PLANS?

Open Enrollment is the time when CalPERS members can change health plans. Open Enrollment is held each fall, and changes are effective the following January 1.

When you move or change employment, you may change plans. You may select any health plan that is available in the ZIP code where you live or work. When you move out of the health plan's service area, you must change plans. Until you make a change, your previous plan may limit coverage to emergency or urgent care only.

To find out which health plans are available in your area, you may use our online service, the *Health Plan Search by ZIP Code*, contact your employer, or obtain a list by contacting us at CalPERS at (888) CalPERS (224-7377).

When you move or change employment, you may submit your health plan change request 31 calendar days before the move, but no later than 60 days after the move. The effective date of change will be the first of the month following receipt of your request.

When you retire, you may change plans within 60 days of your retirement date. You may select any health plan in your residential ZIP code area. The effective date of change will be the first of the month following receipt of your request.

When you first become eligible for Medicare, you may request a plan change within 60 days of your eligibility for Medicare. Carefully review the *Understanding Medicare* booklet to select the Medicare plan that is right for you.

If you are enrolled in a HMO Medicare Managed Care plan and change to a Supplement to Original Medicare plan, you will have to disenroll your Medicare assignment. See "Disenrolling Your Medicare Assignment" in the *Understanding Medicare* booklet.

HOW MAY I CHOOSE A HEALTH PLAN?

What's the best way to choose a plan? While some people choose the lowest cost plan available to them, there is more to choosing a health plan than just cost. CalPERS has several resources available to assist you in the decision-making process.

If you have Internet access, you may want to use the online decision-making tool, the *Health Plan Chooser*. It allows you to rank health plans by costs, doctors, member satisfaction, and covered services. You can find the Chooser on our Web site at www.calpers.ca.gov.

You may also review *The Quality Report*, our CalPERS publication which provides you with information you need to make your health plan decision. You can obtain a copy of this booklet online at www.calpers.ca.gov or by calling (888) CalPERS (225-7377).

MY LIFE'S FULL OF CHANGES... WHAT SHOULD I DO?

Retiring

Retiring requires you to check your calendar carefully to determine the best way to maintain health coverage.

There are two dates that are important:

- Your separation date, and
- Your retirement date.

If you are not sure of either of these dates, talk to your employer. **If your separation date and your retirement date are within 30 days of each other, and you are currently enrolled in a health plan at the time of retirement, your coverage will continue into retirement without a break. If you do not want to continue your health benefits into retirement, you need to cancel your coverage by submitting a *Health Benefit Enrollment* form (HBD-12) through your employer.**

If your separation date and your retirement date are between 30 and 120 days, your coverage will not automatically continue, but you may re-enroll. There are two ways to re-enroll:

- Write to the CalPERS Office of Employer and Member Health Services within 60 days of your retirement date and request re-enrollment; or
- Wait for the next Open Enrollment period, which is held each fall.

Contact CalPERS for a copy of the Open Enrollment materials.

Between your last day of work and your retirement date, you can avoid having your coverage suspended by paying the full monthly premium. Contact the Health Benefits Officer where you worked and ask for a *Direct Payment Authorization* form (HBD-21).

If you are not enrolled in a health plan at retirement but meet the requirement to retire within 120 days of separation, you may enroll within 60 days of retirement or during a future Open Enrollment period. Contact your Health Benefits Officer or use the instructions for re-enrolling as described above.

If you separate and do not retire within 120 days, you are not eligible for coverage. There are some exceptions to this rule for exempt State employees. Contact CalPERS if you have questions about your eligibility.

If you are retiring within 90 days of your 65th birthday or your spouse's 65th birthday, you should contact the Social Security Administration. In addition to signing up for Medicare, you will have to change from a Basic health plan to a plan that combines your Medicare benefits with your CalPERS-sponsored health benefits.

For more information, review the *Understanding Medicare* booklet which can be found on our Web site at www.calpers.ca.gov, or you may order it by calling CalPERS at (888) CalPERS (225-7377).

Marital Status Change or Termination of Domestic Partnership

Marital status can change through marriage, divorce, or death. Domestic partnership or dissolution of domestic partnership registration also can change status. Each change requires you to contact your employer or CalPERS.

When you divorce or dissolve a domestic partnership, your former spouse or domestic partner is no longer eligible for CalPERS health benefits under your coverage. The coverage terminates on the last day of the month in which the final divorce decree or termination of domestic partnership is granted. A copy of the final divorce decree or *Termination of Domestic Partnership* is required when you delete your former spouse or domestic partner from your health plan.

Death of a Spouse, Domestic Partner or Dependent

The death of a spouse, domestic partner or dependent must be reported to your employer or CalPERS as soon as possible.

Death of a Member

The death of a member requires the surviving spouse, domestic partner or a family member to notify CalPERS at (888) CalPERS (225-7377). In the case of the death of a working member, the member's employer should also be notified.

Upon the death of an employee while in State service, the law requires the State employer to continue to pay contributions for the survivor's or domestic partner's health coverage for up to 120 days after the employee's death.

Surviving family members will be eligible for health benefit coverage as long as they:

- Qualify for a monthly survivor check from CalPERS; and
- Were an eligible dependent at the time of the member's death and continue to qualify as eligible family members.

Surviving family members who do not meet the above qualifications may be eligible for COBRA (see page 11, “Loss of Coverage”).

Important Note

It is your responsibility to ensure that the health enrollment information about you and your dependents is accurate and that you report any necessary changes to your employer in a timely manner. Failure to maintain current and accurate health enrollment information may result in you being liable to reimburse your employer for retroactive reimbursement of premiums in excess of six months from the date upon which the action is required.

Off Pay Status

You may continue your coverage while off pay status or while on temporary leave by paying the entire monthly premium directly to your health plan.

Contact your employer for a *Direct Payment Authorization* form (HBD-21). You are eligible for direct payment if you:

- Go on a leave of absence without pay;
- Take temporary disability leave and do not use sick leave or vacation;
- Are waiting for approval of disability retirement or “regular” service retirement;
- Are waiting for approval of Non-Industrial Disability Insurance benefits;
- Are suspended from your job or institute legal proceedings appealing a dismissal from your job; or
- Are a State Permanent-Intermittent employee eligible for health benefits but in a non-pay status. (Direct pay may only be elected through the end of the qualifying control period.)

Requests for direct payments must be submitted to your employer prior to the beginning of your leave but no later than the last day of the month of coverage. If you do not elect the direct payment option while off pay status, your health benefits will stop. Your health benefits will be reinstated when you return to pay status if your earnings are sufficient to cover your share of the monthly premium.

Military Duty

When you take a leave of absence for military duty, you may continue coverage by making direct payments to your health plan. When you direct pay, you do not pay any administrative costs, and your employer does not contribute to your health premium. Your CalPERS health coverage will resume the day you return to pay status.

Important Note

Public Agency employees should check with their agency’s Health Benefits Officer to coordinate continuation of coverage.

Leaving Your Job

If you leave your job for reasons other than retirement, your coverage will terminate. It will continue through the month that you leave, and if you have sufficient earnings to cover your share of the premium, your coverage will continue for a month after you leave. If you cancel your coverage when you leave your job, your benefits will not continue, and you will not be eligible for COBRA group continuation coverage.

If you leave your job but return within less than one full pay period, your coverage will be continuous. Be sure to notify your employer’s Health Benefits Officer or Personnel Office if the deductions on your pay stub do not resume.

If you leave your job and return after one full pay period has passed, you may re-enroll. You will go back into the health plan you were previously enrolled in. You may not change plans until the next Open Enrollment period.

Important Note

Public Agency employees are covered until the first day of the second month following your last date of employment.

Loss of Coverage

If loss of coverage occurs, there are two options to resume health coverage.

Under COBRA you can continue to get health coverage if you leave employment or become ineligible for health benefits. You will be notified by your employer or CalPERS if you are eligible. You must submit a *Group Continuation Coverage* form (HBD-85) within 60 days of notification. Coverage must be continuous. You are required to pay premiums at a cost of 102 percent of the group monthly premium rate beginning from the date your CalPERS coverage terminated. All premium payments should be sent to the health plan, not to CalPERS.

You can continue COBRA coverage for 18 months when:

- You separate from employment for reasons other than dismissal due to gross misconduct; or
- There is a reduction in work hours to less than half time or less than 480 hours in a control period for State Permanent-Intermittent employees.

Coverage may be continued for up to 29 months if you are recognized as disabled through Social Security or the Supplemental Security Income (SSI) program. The cost to you is 102 percent of the premium for the first 18 months and then 150 percent of the premium for months 19 to 29.

Your dependents may enroll in COBRA for up to 36 months based on:

- Your death, whether you were working or retired (the dependent must be enrolled in the plan at the time of your death);
- Divorce or legal separation; or
- Being an enrolled child who marries or turns age 23.

COBRA coverage for you or your dependent remains in effect until one of the following events occurs:

- Failure to pay the premium;
- Coverage by another group health plan;
- You become entitled to Medicare; or
- Coverage time limit ends.

Continuation of Group Coverage After COBRA (Cal COBRA)

California law permits an extension of COBRA benefits under various conditions:

Completion of Federal COBRA Coverage

When an individual uses up their federal COBRA benefit and has had less than 36 months of COBRA coverage, Cal-COBRA can extend the benefit up to a total of 36 months. This Cal-COBRA extension premium cannot exceed 110 percent of the current group rate.

Continuation to Meet Medicare Eligibility

Some older employees and their spouses can get health coverage through Medicare or another health plan. This coverage only applies if both of the following conditions are met:

- The employee worked for the former employer for the prior five years and was 60 years of age (but under 65) on the date their employment ended; and

- The former employee was eligible for and elected COBRA coverage for self or self and spouse. If elected, this coverage will begin after the COBRA coverage ends and will be administered under the same terms and conditions as if COBRA had remained in force.

Important Note

If you or your dependents are eligible for Medicare prior to losing CalPERS benefits, you or your dependents are eligible for COBRA. Medicare will be your primary health insurer, and your Medicare-coordinated group plan is secondary.

Individual Conversion Policy

An Individual Conversion Policy is an alternative to COBRA or can follow COBRA coverage. If you lose your CalPERS health benefits or COBRA coverage, you can request an Individual Conversion Policy through your prior health plan. This policy will be underwritten by the plan. You must request this new policy within 30 days of losing coverage. All CalPERS health plans offer this Individual Conversion Policy option, but your cost for it will differ from the cost of your previous coverage.

I'VE GOT A PROBLEM... WHAT NOW?

Your health plan and CalPERS work hard to ensure smooth delivery of services to you and your family, but sometimes a disagreement can occur. If it does, the plan and CalPERS are here to help.

Filing a Grievance

Filing a grievance is one way you can resolve an issue, complaint, or disagreement. Your health plan will have its own "grievance process," which is described in the *Evidence of Coverage* booklet for each health plan. The health plan can send you a copy of their *Evidence of Coverage* booklet.

Appealing a Decision

Appealing a decision is the next step. If you filed a grievance and are dissatisfied with your health plan's final decision, you should contact CalPERS. You may also register your complaint with the Department of Managed Health Care. (See information below.)

Binding Arbitration

Some health plans require binding arbitration, which is a method of resolving conflicts. These plans require you to agree in advance that any claims or disagreements will be settled through neutral, legally binding resolution, replacing court or jury trials. In some instances, you can choose to appeal to CalPERS rather than go through binding arbitration. Be sure to consult each health plan's *Evidence of Coverage* booklet to see if a health plan offers this process. If your plan does offer binding arbitration, the process will be described in your plan's *Evidence of Coverage* booklet.

HMO Consumer Help Center

The California Department of Managed Health Care regulates all HMOs in California. If you have a grievance with your HMO and are dissatisfied with the resolution offered, you may call the HMO Consumer Help Center at (888) HMO-2219 or TDD (877) 688-9891, or use their Web site at www.dmhca.ca.gov. The Department of Managed Health Care does not assist with disputes involving a self-funded health plan.

The California Patient's Guide: *Your Health Care Rights and Remedies*

This guide is intended to inform you of your rights to receive quality health care and what steps you can take if you encounter problems. The full text of the guide is available at www.calpatientguide.org, or you can request a printed copy by calling the HMO Consumer Help Center mentioned above.

For more information *The CalPERS Health Plan Decision Guide, Quality Report* and *Understanding Medicare* booklets are available on the CalPERS Web site, through your Personnel Office or by contacting CalPERS at (888) CalPERS (225-7377).

CalPERS Public Employees' Retirement System
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